SECRETARY'S OFFICE
MAY 12 1924

SEVENTIETH

ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

CHICAGO, BURLINGTON & QUINCY
RAILROAD COMPANY

TO THE

STOCKHOLDERS

FOR THE YEAR ENDED DECEMBER 31, 1923

FAITHORN COMPANY, CHICAGO

STRAWBOARDS
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SEVENTIETH

ANNUAL REPORT

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OF THE

CHICAGO, BURLINGTON & QUINCY

RAILROAD COMPANY

TO THE

STOCKHOLDERS

FOR THE YEAR ENDED DECEMBER 31, 1923

THE CLEVELAND PUBLIC LIBRARY

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

DIRECTORS

WILLIAM W. BALDWIN	CHICAGO
RALPH BUDD	ST. PAUL
CLAUDE G. BURNHAM	CHICAGO
CHARLES DONNELLY	ST. PAUL
ROBERT J. DUNHAM	CHICAGO
HOWARD ELLIOTT	NEW YORK
HALE HOLDEN	CHICAGO
ARTHUR CURTISS JAMES	NEW YORK
CHARLES O. JENKS	ST. PAUL
CHARLES E. PERKINS	BURLINGTON
FREDERICK H. RAWSON	CHICAGO
OLIVER M. SPENCER	CHICAGO
CHARLES I. STURGIS	CHICAGO

EXECUTIVE COMMITTEE

HALE HOLDEN......CHAIRMAN

RALPH BUDD
CHARLES DONNELLY
HOWARD ELLIOTT
CHARLES O. JENKS
CHARLES E. PERKINS
FREDERICK H. RAWSON

OFFICERS

HALE HOLDEN	*President and Chairman of Executive Committee, Chicago*
CLAUDE G. BURNHAM	*Executive Vice-President, Chicago*
WILLIAM W. BALDWIN	*Vice-President, Chicago*
EDWARD P. BRACKEN	*Vice-President, Chicago*
HARRY R. SAFFORD	*Vice-President, Chicago*
CONRAD E. SPENS	*Vice-President, Chicago*
CHARLES I. STURGIS	*Vice-President, Secretary and Treasurer, Chicago*
ANDREW T. WILLIAMS	*Assistant Secretary and Assistant Treasurer, Chicago*
EDITH JARVIS ALDEN	*Assistant Secretary and Transfer Agent, Chicago*
CARL J. ERNST	*Assistant Secretary and Assistant Treasurer, Omaha*
OLIVER M. SPENCER	*General Counsel, Chicago*
BRUCE SCOTT	*General Solicitor, Chicago*
EDWARD M. SHELTON	*Assistant to General Counsel, Chicago*
HERBERT W. JOHNSON	*Comptroller, Chicago*
HARRY D. FOSTER	*General Auditor, Chicago*
ALBERT W. NEWTON	*Chief Engineer, Chicago*
WILLIAM W. HENDERSON	*Transfer Agent, Chicago*
EDWARD T. NICHOLS NICHOLAS TERHUNE	*Fiscal Agents, 32 Nassau St., New York*
EUGENE A. BERNHOLZ NICHOLAS STOCKHAMMER	*Transfer Agents, 32 Nassau St., New York*
STATE STREET TRUST COMPANY	*Fiscal Agent and Transfer Agent, 33 State St., Boston*

Above were Directors and Officers as of May 1, 1924.

NOV 7 1939 A MN GIFT REQUEST

SEVENTIETH ANNUAL REPORT

Chicago, January 2, 1924.

To the Stockholders of the Chicago, Burlington & Quincy Railroad Company:

The following is the report of your Board of Directors for the year ended December 31, 1923:

MILEAGE

MILEAGE OF ROAD OPERATED ON DECEMBER 31, 1923

STATE	Line owned			Operated under lease or contract	Total mileage operated
	Main line	Branches and spurs	Total		
Colorado	214.11	180.25	394.36	34.97	429.33
Illinois	946.06	745.04	1,691.10	113.85	1,804.95
Iowa	371.68	993.42	1,365.10	73.44	1,438.54
Kansas	12.71	246.55	259.26	.91	260.17
Minnesota	23.61	....	23.61	14.84	38.45
Missouri	593.58	528.68	1,122.26	13.19	1,135.45
Montana	134.38	....	134.38	49.45	183.83
Nebraska	1,364.44	1,496.96	2,861.40	22.37	2,883.77
South Dakota	48.88	229.74	278.62	....	278.62
Wisconsin	228.46	....	228.46	.53	228.99
Wyoming	572.71	121.08	693.79	29.64	723.43
Total	4,510.62	4,541.72	9,052.34	353.19	9,405.53

STATE	LINE OWNED					
	Miles of road	Second track	Third track	Fourth track	Yard track and sidings	Total
Colorado	394.36	.48	....	....	153.93	548.77
Illinois	1,691.10	490.32	42.40	5.41	1,137.81	3,367.04
Iowa	1,365.10	243.55	....	....	355.96	1,964.61
Kansas	259.26	....	....	....	25.44	284.70
Minnesota	23.61	....	2.25	....	40.32	66.18
Missouri	1,122.26	112.37	....	....	446.18	1,680.81
Montana	134.38	....	....	....	50.75	185.13
Nebraska	2,861.40	32.34	....	....	789.95	3,683.69
South Dakota	278.62	....	....	....	61.86	340.48
Wisconsin	228.46	130.69	....	....	77.24	436.39
Wyoming	693.79	3.66	....	....	254.51	951.96
Total	9,052.34	1,013,41	44.65	5.41	3,393.95	13,509.76

COMPARATIVE STATEMENT OF INCOME, YEARS ENDED DECEMBER 31

Percent of Ry. Oper. Revenue	1923	RAILWAY OPERATING REVENUES	1922	Percent of Ry. Oper. Revenue
73.82	$126,433,098.13	Freight	$121,388,901.62	73.61
16.68	28,569,830.88	Passenger	28,380,103.84	17.21
2.48	4,242,408.35	Mail	4,258,311.92	2.58
2.59	4,442,387.40	Express	3,948,338.83	2.40
2.58	4,412,431.25	All other transportation	4,059,086.27	2.46
1.63	2,798,801.02	Incidental	2,461,743.16	1.49
.22	371,703.77	Joint facility	419,984.90	.25
100.00	$171,270,660.80	Total railway operating revenues	$164,916,470.54	100.00
		RAILWAY OPERATING EXPENSES		
12.84	$ 21,984,557.03	Maintenance of way and structures	$20,769,379.25	12.59
23.74	40,654,335.51	Maintenance of equipment	35,735,413.56	21.67
1.65	2,815,004.27	Traffic	2,267,367.08	1.37
37.01	63,395,808.20	Transportation	62,875,593.06	38.13
1.00	1,716,368.53	Miscellaneous operations	1,693,321.01	1.03
2.52	4,318,010.52	General	4,277,202.73	2.59
.35Cr.	Cr. 593,705.50	Transportation for investment—Credit	Cr. 840,573.59	.51Cr.
78.41	$134,290,378.56	Total railway operating expenses	$126,777,703.10	76.87
21.59	$ 36,980,282.24	Net revenue from railway operations	$ 38,138,767.44	23.13
....	$ 9,268,054.87	Railway tax accruals	$ 10,890,006.82	....
....	57,456.37	Uncollectible railway revenue	31,338.17	....
....	$ 27,654,771.00	Railway operating income	$ 27,217,422.45	....
		NON-OPERATING INCOME		
....	$ 593,161.45	Hire of equipment	$ 454,226.60	....
....	612,915.71	Joint facility rent income	522,937.85	....
....	730,307.43	Miscellaneous rent income	723,110.39	....
....	1,729,257.30	Dividends and miscellaneous interest	2,366,498.67	....
....	5,199.41	Miscellaneous income	380,626.11	....
....	$ 3,670,841.30	Total non-operating income	$ 4,447,399.62	....
....	$ 31,325,612.30	Gross income	$ 31,664,822.07	....
		DEDUCTIONS FROM GROSS INCOME		
....	$ 1,766,285.34	Hire of equipment	$ 1,192,169.77	....
....	1,728,996.02	Joint facility rents	1,850,243.59	....
....	153,810.66	Miscellaneous rents	121,296.17	....
....	8,256,488.34	Interest on funded debt	8,119,271.00	....
....	29,905.62	Interest on unfunded debt	10,904.50	....
....	99,597,13	Amortization of discount on funded debt	95,474.06	....
....	....	Miscellaneous income charges	13,975.07	....
....	$ 12,035,083.11	Total deductions from gross income	$ 11,403,334.16	....
....	$ 25,365,566.80	Net railway operating income (See table foot of page 33)	$ 25,152,173.54	....
....	$ 19,290,529.19	Net income	$ 20,261,487.91	....
		DISPOSITION OF NET INCOME		
....	$ 289,409.67	Sinking funds	$ 294,250.46	....
....	17,083,735.00	Dividends	17,083,700.00	....
....	$ 17,373,144.67	Total appropriations of income	$ 17,377,950.46	....
....	$ 1,917,384.52	Income balance transferred to profit and loss	$ 2,883,537.45	....

CAPITALIZATION

CAPITAL STOCK

Number of shares	Total par value authorized and outstanding	Dividends declared during the year	
		Rate	Amount
1,708,374	$170,837,400.00	10%	$17,083,735.00
Scrip	1,700.00		
Total	$170,839,100.00		

Scrip totaling $400.00 was exchanged for full shares during the year. Total par value of stock remained without change.

FUNDED DEBT

In Treasury—		Actually outstanding	Interest accrued during year
Nominally issued	Actually issued and reacquired		
$9,873,000	$1,416,000	$202,756,000	$8,256,488.34

Funded debt actually outstanding decreased during the year:

Equipment Notes purchased and cancelled	$404,000
Bonds purchased and canceled	40,000
	$444,000

ACCRUED TAXES

	1923	1922	Increase or decrease
Colorado	$ 437,874.94	$ 454,684.81	Dec. $ 16,809.87
Illinois	1,868,653.38	2,324,841.07	Dec. 456,187.69
Iowa	1,058,665.71	1,252,138.70	Dec. 193,472.99
Kansas	122,371.64	138,502.82	Dec. 16,131.18
Minnesota	57,901.68	36,743.49	Inc. 21,158.19
Missouri	521,330.37	476,694.81	Inc. 44,635.56
Montana	147,170.39	149,565.55	Dec. 2,395.16
Nebraska	2,175,000.00	2,216,701.56	Dec. 41,701.56
South Dakota	203,880.26	170,964.53	Inc. 32,915.73
Wisconsin	479,837.47	480,206.27	Dec. 368.80
Wyoming	505,482.46	521,830.60	Dec. 16,348.14
Other States	131.64	35.15	Inc. 96.49
Total States	$7,578,299.94	$8,222,909.36	Dec. 644,609.42
United States Government	$1,689,754.93	$2,667,097.46	Dec. 977,342.53
Grand Total	$9,268,054.87	$10,890,006.82	Dec. $1,621,951.95

INVESTMENT IN ROAD AND EQUIPMENT DURING THE YEAR

ACCOUNT	New lines and extensions	Additions and betterments	Total
Engineering	Cr. $1,439.02	$ 237,577.34	$ 236,138.32
Land for transportation purposes	Cr. 50.00	864,902.24	864,852.24
Grading	590.86	1,258,945.91	1,259,536.77
Tunnels and subways		Cr. 1,790.03	Cr. 1,790.03
Bridges, trestles and culverts	Cr. 174.67	1,162,618.56	1,162,443.89
Elevated structures		Cr. 3,761.83	Cr. 3,761.83
Ties	1,505.41	320,367.14	321,872.55
Rails	3.86	482,250.28	482,254.14
Other track material		671,073.42	671,073.42
Ballast	135.09	122,553.20	122,688.29
Track laying and surfacing	916.37	239,291.42	240,207.79
Right-of-way fences	118.43	26,130.41	26,248.84
Snow and sand fences and snow sheds		285.58	285.58
Crossings and signs	143.16	205,526.67	205,669.83
Station and office buildings		1,635,707.73	1,635,707.73
Roadway buildings		102,373.39	102,373.39
Water stations		520,283.09	520,283.09
Fuel stations		61,076.28	61,076.28
Shops and enginehouses		1,692,824.94	1,692,824.94
Grain elevators		Cr. 341.71	Cr. 341.71
Wharves and docks		5,400.81	5,400.81
Telegraph and telephone lines		66,978.27	66,978.27
Signals and interlockers		822,340.87	822,340.87
Power plant buildings		200,670.74	200,670.74
Power transmission systems		22,664.53	22,664.53
Power distribution systems		50,927.92	50,927.92
Power line poles and fixtures		18,448.89	18,448.89
Miscellaneous structures		154,429.88	154,429.88
Paving		Cr. 2,238.96	Cr. 2,238.96
Roadway machines		139,410.09	139,410.09
Roadway small tools		1,292.21	1,292.21
Assessments for public improvements		225,143.24	225,143.24
Other expenditures—road		17,628.63	17,628.63
Shop machinery		1,079,480.38	1,079,480.38
Power plant machinery		285,336.90	285,336.90
Power sub-station apparatus		66.93	66.93
Total expenditures for road	$ 1,749.49	$12,685,875.36	$12,687,624.85
Steam locomotives		$3,374,556.70	$ 3,374,556.70
Freight-train cars		1,249,569.68	1,249,569.68
Passenger-train cars		Cr. 16,086.37	Cr. 16,086.37
Floating equipment		43,846.45	43,846.45
Work equipment		45,558.08	45,558.08
Miscellaneous equipment		14,504.85	14,504.85
Total expenditures for equipment		$4,711,949.39	$ 4,711,949.39
Taxes		$ 405.77	$ 405.77
Interest during construction		8,768.58	8,768.58
Total general expenditures		$ 9,174.35	$ 9,174.35
Grand total	$ 1,749.49	$17,406,999.10	$ 17,408,748.59

EQUIPMENT

CLASS OF EQUIPMENT	Number on Dec. 31, 1922	Number added during year	Number retired during year	Number on Dec. 31, 1923	Average tractive power all locomotives and average capacity all freight cars
Steam locomotives	1,929	69	20	1,978	36,092
Freight-train cars:					
Box cars	30,895	200	680	30,415	....
Flat cars	1,430	47	48	1,429	....
Stock cars	6,562	....	239	6,323	....
Coal cars	28,024	3,720	3,927	27,817	....
Tank cars	337	....	1	336	....
Refrigerator cars	3,256	400	303	3,353	....
Caboose cars	776	3	6	773	....
Other freight-train cars	85	....	2	83	....
All classes of freight-train cars	71,365	4,370	5,206	70,529	42.19
Passenger-train cars:					
Coaches	715	5	14	706	....
Combination passenger cars	148	3	1	150	....
Other combination cars	113	3	14	102	....
Dining cars	54	....	1	53	....
Parlor cars	14	....	....	14	....
Baggage and express cars	257	22	8	271	....
Postal cars	64	....	11	53	....
Other passenger-train cars	28	....	....	28	....
All classes of passenger-train cars	1,393	33	49	1,377	....
Company service cars:					
Officers' and pay cars	31	....	....	31	....
Ballast cars	1,943	....	47	1,896	....
Derrick cars	27	....	....	27	....
Steam shovels	18	....	....	18	....
Wrecking cars	19	2	....	21	....
Other company service cars	2,748	143	140	2,751	....
All classes of company service cars	4,786	145	187	4,744	....
All classes of cars in service	77,544	4,548	5,442	76,650	....
Floating equipment:					
Steamboats and tugboats	3	....	....	3	....
Barges, car floats and canal boats	9	1	....	10	....
Other floating equipment	2	....	....	2	....
Total floating equipment	14	1	....	15	....

STATISTICS OF OPERATIONS

ITEM	1923	1922	Increase or decrease	
Average mileage of road operated (miles)	9,401.41	9,393.69	Inc.	7.72
TRAIN-MILES				
Freight—ordinary	20,091,220	18,054,018	Inc.	2,037,202
" —light	199,106	198,145	Inc.	961
" —total	20,290,326	18,252,163	Inc.	2,038,163
Passenger*	18,013,261	17,470,583	Inc.	542,678
Mixed	641,001	639,837	Inc.	1,164
Special	24,494	24,857	Dec.	363
Total transportation service	38,969,082	36,387,440	Inc.	2,581,642
Work service	645,908	447,322	Inc.	198,586
LOCOMOTIVE-MILES				
Freight—principal	20,297,818	18,259,374	Inc.	2,038,444
" —helper	820,092	809,730	Inc.	10,362
" —light	994,169	958,479	Inc.	35,690
" —total	22,112,079	20,027,583	Inc.	2,084,496
Passenger—principal	17,927,831	17,422,441	Inc.	505,390
" —helper	253,164	174,453	Inc.	78,711
" —light	471,126	411,199	Inc.	59,927
" —total	18,652,121	18,008,093	Inc.	644,028
Mixed train—principal	641,068	639,869	Inc.	1,199
" " —helper	5,287	3,381	Inc.	1,906
" " —light	6,851	6,973	Dec.	122
" " —total	653,206	650,223	Inc.	2,983
Special—principal	24,494	24,857	Dec.	363
" —helper	2,357	2,470	Dec.	113
" —light	804	527	Inc.	277
" —total	27,655	27,854	Dec.	199

*Includes 85,430 motor-train miles in 1923, and 48,142 motor-train miles in 1922.

STATISTICS OF OPERATIONS—CONTINUED

ITEM	1923	1922	Increase or decrease	
LOCOMOTIVE-MILES—Continued				
Train switching	894,498	871,880	Inc.	22,618
Yard switching—freight	9,167,747	7,975,738	Inc.	1,192,009
" " —passenger	616,341	589,279	Inc.	27,062
" " —total	9,784,088	8,565,017	Inc.	1,219,071
Total transportation service	52,123,647	48,150,650	Inc.	3,972,997
Work service	1,090,289	825,296	Inc.	264,993
CAR-MILES				
Freight train—loaded	552,356,649	493,763,213	Inc.	58,593,436
" " —empty	320,015,342	259,445,860	Inc.	60,569,482
Sum of loaded and empty	872,371,991	753,209,073	Inc.	119,162,918
Freight train—caboose	19,043,446	17,186,852	Inc.	1,856,594
" " —exclusive work equipment	2,286,581	1,913,916	Inc.	372,665
" " —total	893,702,018	772,309,841	Inc.	121,392,177
Passenger train—passenger*	44,650,310	44,517,107	Inc.	133,203
" " —sleeping, parlor and observation	28,028,474	26,494,703	Inc.	1,533,771
" " —dining	5,108,812	4,763,278	Inc.	345,534
" " —other	41,916,650	39,374,525	Inc.	2,542,125
" " —total	119,704,246	115,149,613	Inc.	4,554,633
Mixed train—freight, loaded	2,295,617	2,319,431	Dec.	23,814
" " —freight, empty	1,066,062	880,805	Inc.	185,257
" " —caboose	2,068	3,524	Dec.	1,456
" " —exclusive work equipment	36,942	45,162	Dec.	8,220
" " —passenger	959,604	967,822	Dec.	8,218
" " —sleeping, parlor and observation	2,908	17,239	Dec.	14,331
" " —other passenger train	163,486	193,284	Dec.	29,798
" " —total	4,526,687	4,427,267	Inc.	99,420

*Includes 85,430 motor-car miles in 1923 and 48,142 motor-car miles in 1922.

Special train—freight, loaded	289,338	280,505	Inc.	8,833
" " —freight, empty	17,250	32,411	Dec.	15,161
" " —caboose	23,776	24,955	Dec.	1,179
" " —passenger	112,988	107,679	Inc.	5,309
" " —other passenger train	255	....	Inc.	255
" " —total	443,607	445,550	Dec.	1,943
Total transportation service	1,018,376,558	892,332,271	Inc.	126,044,287
Work service	2,089,620	1,525,531	Inc.	564,089

FREIGHT SERVICE

Tons—revenue freight	43,483,603	39,176,051	Inc.	4,307,552
" —non-revenue freight	11,631,481	8,451,008	Inc.	3,180,473
" —total	55,115,084	47,627,059	Inc.	7,488,025
Ton miles—revenue freight	12,690,384,346	11,754,595,862	Inc.	935,788,484
" " —non-revenue freight	2.675,987,454	1,839,884,738	Inc.	836,102,716
" " —total	15,366,371,800	13,594,480,600	Inc.	1,771,891,200

PASSENGER SERVICE

Passengers carried—revenue	18,502,145	18,735,077	Dec.	232,932
Passenger miles—revenue	967,096,799	941,748,451	Inc.	25,348,348

REVENUES AND EXPENSES

Freight revenue	$126,433,098.13	$121,388,901.62	Inc.	$ 5,044,196.51
Passenger revenue	28,569,830.88	28,380,103.84	Inc.	189,727.04
Passenger service train revenue	38,810,585.13	38,100,458.13	Inc.	710,127.00
Operating revenues	$171,270,660.80	$164,916,470.54	Inc.	$ 6,354,190.26
" expenses	134,290,378.56	126,777,703.10	Inc.	7,512,675.46
Net operating revenues	$ 36,980,282.24	$ 38,138,767.44	Dec.	$ 1,158,485.20

STATISTICS OF OPERATIONS—CONTINUED

ITEM	1923	1922	Increase or decrease	
AVERAGES PER MILE OF ROAD				
Freight-train miles	2,158	1,943	Inc.	215
Passenger-train miles	1,916	1,860	Inc.	56
Mixed-train miles	68	68		..
Special-train miles	3	3		..
Transportation service train-miles	4,145	3,874	Inc.	271
Work-train miles	69	48	Inc.	21
Locomotive-miles—transportation	5,544	5,126	Inc.	418
Freight service car-miles	95,457	82,598	Inc.	12,859
Passenger service car-miles	12,864	12,395	Inc.	469
Freight revenue	$13,448.31	$12,922.39	Inc.	$ 525.92
Passenger service train revenue	$ 4,128.17	$ 4,055.96	Inc.	$ 72.21
Operating revenues	$18,217.55	$17,556.09	Inc.	$ 661.46
" expenses	$14,284.07	$13,496.05	Inc.	$ 788.02
Net operating revenues	$ 3,933.48	$ 4,060.04	Dec.	$ 126.56
Ton-miles—revenue freight	1,349,838	1,251,329	Inc.	98,509
" " —all freight	1,634,475	1,447,193	Inc.	187,282
Passenger-miles—revenue	102,867	100,253	Inc.	2,614
AVERAGES PER TRAIN-MILE				
Loaded freight car-miles—freight trains	27.22	27.05	Inc.	.17
" " " —mixed trains	3.58	3.63	Dec.	.05
Empty " " —freight trains	15.77	14.21	Inc.	1.56
" " " —mixed trains	1.66	1.38	Inc.	.28
Ton-miles—revenue freight	611.68	628.82	Dec	17.14
" —all freight	740.66	727.25	Inc.	13.41
Passenger train car-miles—passenger trains	6.65	6.59	Inc.	.06
" " " —mixed trains	1.76	1.84	Dec.	.08
Revenue passenger-miles	53.14	53.30	Dec.	.16
Freight revenue	$6.09	$6.49	Dec.	$ .40

Passenger service train revenue	$ 2.13	$ 2.16	Dec.	$ .03
Operating revenues	$ 4.40	$ 4.53	Dec.	$ .13
" expenses	$ 3.45	$ 3.48	Dec.	$ .03
Net operating revenues	$ .95	$ 1.05	Dec.	$ .10
AVERAGES PER LOCOMOTIVE-MILE				
Train-miles—freight trains	.92	.91	Inc.	.01
Car-miles—freight trains	40.42	38.56	Inc.	1.86
Train-miles—passenger trains	.97	.97		
Car-miles—passenger trains	6.42	6.39	Inc.	.03
Train-miles—mixed trains	.98	.98		
Car-miles—mixed trains	6.93	6.81	Inc.	.12
Train-miles—special trains	.89	.89		
Car-miles—special trains	16.04	16.00	Inc.	.04
AVERAGES PER LOADED FREIGHT CAR-MILE				
Ton-miles—revenue freight	22.88	23.69	Dec.	.81
" " —all freight	27.70	27.40	Inc.	.30
Freight revenue	$ .22795	$ .24469	Dec.	$ .01674
AVERAGES PER CAR-MILE—PASSENGER				
Passenger-miles—revenue	13.13	13.08	Inc.	.05
Passenger revenue	$ .38796	$ .39418	Dec.	$ .00622
MISCELLANEOUS AVERAGES				
Miles hauled—revenue freight	291.84	300.05	Dec.	8.21
" " —non-revenue freight	230.06	217.71	Inc.	12.35
" " —all freight	278.81	285.43	Dec.	6.62
Miles carried—revenue passengers	52.27	50.27	Inc.	2.00
Revenue per ton of freight	$2.90760	$3.09856	Dec.	$ .19096
" " ton-mile of freight	$ .00996	$ .01033	Dec.	$ .00037
" " passenger	$1.54414	$1.51481	Inc.	$ .02933
" " passenger-mile	$ .02954	$ .03014	Dec.	$ .00060
Operating ratio	78.41%	76.87%	Inc.	1.54

REVENUE FREIGHT CARRIED DURING THE YEAR

COMMODITY		REVENUE FREIGHT ORIGINATING ON THIS ROAD		REVENUE FREIGHT RECEIVED FROM CONNECTING CARRIERS		TOTAL REVENUE FREIGHT CARRIED		Percent of whole
		Number of carloads	Number of tons (2,000 Lbs.)	Number of carloads	Number of tons (2,000 Lbs.)	Number of carloads	Number of tons (2,000 Lbs.)	
Products of Agriculture	Wheat	40,894	1,687,281	4,436	177,917	45,330	1,865,198	4.29
	Corn	41,558	1,672,774	9,059	361,740	50,617	2,034,514	4.68
	Oats	11,662	368,579	9,098	309,395	20,760	677,974	1.56
	Other grain	3,477	132,400	1,339	47,033	4,816	179,433	.41
	Flour and meal	23,061	599,139	8,824	231,430	31,885	830,569	1.92
	Other mill products	20,715	472,296	5,601	133,378	26,316	605,674	1.39
	Hay, straw and alfalfa	14,419	179,226	3,541	45,527	17,960	224,753	.52
	Tobacco	337	4,236	121	1,747	458	5,983	.01
	Cotton	141	1,893	888	14,023	1,029	15,916	.04
	Cotton seed and products, except oil	67	1,534	368	9,096	435	10,630	.02
	Citrus fruits	86	960	2,521	38,553	2,607	39,513	.09
	Other fresh fruits	3,968	53,183	16,292	257,967	20,260	311,150	.72
	Potatoes	4,447	75,937	18,439	334,763	22,886	410,700	.94
	Other fresh vegetables	758	10,277	2,544	34,772	3,302	45,049	.10
	Dried fruits and vegetables	266	5,779	998	26,103	1,264	31,882	.07
	Other products of agriculture	19,019	818,771	5,279	141,706	24,298	960,477	2.21
	Total	184,875	6,084,265	89,348	2,165,150	274,223	8,249,415	18.97
Animals and Products	Horses and mules	3,946	44,864	1,200	14,028	5,146	58,892	.13
	Cattle and calves	89,286	1,041,140	14,175	171,482	103,461	1,212,622	2.79
	Sheep and goats	9,054	84,621	3,894	42,220	12,948	126,841	.29
	Hogs	108,300	990,993	9,624	94,631	117,924	1,085,624	2.51
	Fresh meats	19,073	248,146	587	7,563	19,660	255,709	.58
	Other packing house products	9,393	163,096	533	9,329	9,926	172,425	.40
	Poultry	2,780	32,691	2,441	25,481	5,221	58,172	.13
	Eggs	5,205	57,903	1,395	16,879	6,600	74,782	.17
	Butter and cheese	2,931	35,697	1,571	21,107	4,502	56,804	.13
	Wool	438	6,149	447	7,025	885	13,174	.03
	Hides and leather	993	22,308	283	5,368	1,276	27,676	.06
	Other animals and products	1,228	25,399	1,348	33,754	2,576	59,153	.14
	Total	252,627	2,753,007	37,498	448,867	290,125	3,201,874	7.36

Products of Mines	Anthracite coal	182	7,554	2,164	83,577	2,346	91,131	.21
	Bituminous coal	219,994	10,610,989	70,102	3,100,626	290,096	13,711,615	31.54
	Coke	3,914	108,262	4,019	115,510	7,933	223,772	.51
	Iron ore	25	587	2,209	119,736	2,234	120,323	.28
	Other ores and concentrates	70	2,290	1,617	66,629	1,687	68,919	.16
	Base bullion and matte	7	218	2,290	100,446	2,297	100,664	.23
	Clay, gravel, sand and stone	58,505	2,777,321	13,386	592,266	71,891	3,369,587	7.75
	Crude petroleum	7,934	270,471	1,861	62,184	9,795	332,655	.76
	Asphaltum	305	9,295	862	30,298	1,167	39,593	.09
	Salt	295	6,706	5,816	152,912	6,111	159,618	.37
	Other products of mines	168	6,145	534	19,733	702	25,878	.06
	Total	291,399	13,799,838	104,860	4,443,917	396,259	18,243,755	41.96
Products of Forests	Logs, posts, poles and cordwood	4,933	118,219	6,031	146,672	10,964	264,891	.61
	Ties	3,033	78,510	1,655	52,587	4,688	131,097	.30
	Pulpwood	8	184	5	166	13	350	..
	Lumber, timber, box shooks, staves and headings	5,881	135,226	78,882	2,087,039	84,763	2,222,265	5.11
	Other products of forests	288	7,290	451	9,679	739	16,969	.04
	Total	14,143	339,429	87,024	2,296,143	101,167	2,635,572	6.06
Manufactures and Miscellaneous	Refined petroleum and its products	54,352	1,446,778	29,828	823,741	84,180	2,270,519	5.22
	Vegetable oils	603	16,514	637	18,414	1,240	34,928	.08
	Sugar, syrup, glucose and molasses	6,699	212,865	5,738	202,174	12,437	415,039	.95
	Boats and vessel supplies	16	298	7	126	23	424	..
	Iron, pig and bloom	1,119	49,549	3,228	143,999	4,347	193,548	.44
	Rails and fastenings	501	17,369	2,924	119,842	3,425	137,211	.31
	Bar and sheet iron, structural iron and iron pipe	4,628	119,550	18,255	637,350	22,883	756,900	1.75
	Other metals, pig, bar and sheet	2,552	80,976	2,832	109,336	5,384	190,312	.44
	Castings, machinery and boilers	5,735	101,851	3,947	81,888	9,682	183,739	.42
	Cement	25,140	971,076	6,512	247,617	31,652	1,218,693	2.81
	Brick and artificial stone	13,110	449,300	5,135	176,342	18,245	625,642	1.45
	Lime and plaster	2,626	67,993	2,979	66,853	5,605	134,846	.31
	Sewer pipe and drain tile	4,936	84,727	1,120	19,768	6,056	104,495	.24
	Agricultural implements and vehicles other than automobiles	9,765	140,925	3,193	50,200	12,958	191,125	.44

REVENUE FREIGHT CARRIED DURING THE YEAR—CONTINUED

COMMODITY		Revenue freight originating on this road		Revenue freight received from connecting carriers		Total revenue freight carried		Percent of whole
		Number of carloads	Number of tons (2,000 Lbs.)	Number of carloads	Number of tons (2,000 Lbs.)	Number of carloads	Number of tons (2,000 Lbs.)	
Manufactures and Miscellaneous —Continued	Automobiles and autotrucks	10,965	63,146	10,807	75,974	21,772	139,120	.32
	Household goods and second hand furniture	4,009	40,770	1,724	17,662	5,733	58,432	.13
	Furniture (new)	2,192	21,384	2,888	27,904	5,080	49,288	.11
	Beverages	1,065	17,724	254	4,442	1,319	22,166	.05
	Ice	3,698	113,486	55	1,673	3,753	115,159	.26
	Fertilizers (all kinds)	2,010	52,423	424	15,424	2,434	67,847	.16
	Paper, printed matter and books	421	8,579	2,903	73,908	3,324	82,487	.19
	Chemicals and explosives	4,486	107,977	3,494	110,250	7,980	218,227	.50
	Textiles	87	1,362	1,108	15,726	1,195	17,088	.04
	Canned goods (all canned food products)	1,646	33,630	3,205	85,450	4,851	119,080	.27
	Other manufactures and miscellaneous	50,420	994,625	34,283	713,325	84,703	1,707,950	3.93
	Total	212,781	5,214,877	147,480	3,839,388	360,261	9,054,265	20.82
	Grand total, carload traffic	955,825	28,191,416	466,210	13,193,465	1,422,035	41,384,881	95.17
Merchandise—	All L. C. L. freight	....	1,427,131	....	671,591	....	2,098,722	4.83
	Grand total, all commodities	955,825	29,618,547	466,210	13,865,056	1,422,035	43,483,603	100.00

CAPITALIZATION

CAPITAL STOCK:

The Capital Stock outstanding remained without change during the year. Of the total amount outstanding	$170,839,100

$1,700 was represented by fractional stock scrip convertible, in multiples of $100, into full shares. This scrip is not entitled to vote or to receive dividends until so converted.

Dividends paid during the year and charged to Income for the year were:

June 25, 1923, 5% on $170,837,300	$ 8,541,865
December 26, 1923, 5% on 170,837,400	8,541,870
Total charged to Income for the year	$ 17,083,735

FUNDED DEBT:

On December 31, 1922, the Funded Debt outstanding in the hands of the public was		$203,200,000
During the year 1923 the following changes were made:		
By the purchase of Nebraska Extension Mortgage Sinking Fund Bonds of 1927	$40,000	
By the retirement of Equipment Gold Notes maturing January 15, 1923	404,000	
Total Deduction		$ 444,000
On December 31, 1923, the Funded Debt outstanding in the hands of the public was		$202,756,000

GENERAL OPERATIONS

REVENUES:

Total Operating Revenues for 1923	$171,270,660.80	
Total Operating Revenues for 1922	164,916,470.54	
Increase	$ 6,354,190.26	3.85%

The increase was made up as follows:

Freight	Increased	$ 5,044,196.51	4.16%
Passenger	Increased	189,727.04	.67%
Express	Increased	494,048.57	12.51%
Other Transportation Revenues	Increased	337,441.41	4.06%
Incidental Operating Revenues	Increased	288,776.73	10.02%
Total Increase		$ 6,354,190.26	3.85%

The increase in freight revenue reflects a heavier business than in the preceding year, largely due to an increase of 26.29% in the tonnage of bituminous coal carried and an increase of 13.21% in the tonnage of manufactured products. Shipments of bituminous coal for the period April to August, inclusive, were greatly curtailed in 1922 as a result of labor trouble in the bituminous fields, while during 1923 we enjoyed a fair tonnage of this product throughout the year. The above increases were offset to some extent by a decrease of 10% in the tonnage of farm products handled due to the depressed conditions prevailing in agricultural districts during the major portion of the year.

REVENUES—Continued

A comparison with 1922 by commodities of tonnage handled shows the following:

Farm Products	Decreased	916,910 tons	10.00%
Animals and Products	Increased	350,470 tons	12.29%
Mine Products	Increased	3,338,921 tons	22.40%
Forest Products	Increased	573,150 tons	27.79%
Manufactured Products	Increased	1,056,575 tons	13.21%
Less-than-carload tonnage	Decreased	94,654 tons	4.32%
Total tonnage	Increased	4,307,552 tons	11.00%

A comparison of carloads shows:

Total cars (all commodities) in 1923	1,422,035 cars	
Total cars (all commodities) in 1922	1,267,228 cars	
Increase in 1923	154807 cars	12.22%,

Passenger revenue shows a very small increase. We carried 232,932 less revenue passengers than in 1922, but we carried each passenger an average of two miles further than in 1922. The automobile is steadily cutting into our local or short haul passenger business but the decrease in this class of traffic is being offset by a gradual increase in our long haul and tourist business.

The increase in express revenue was brought about in part by an increase in express business and in part by a further reduction in the expenses of the Express Company, due to cooperation of the railroads with the Express Company, resulting in an increased net revenue for division under the uniform contract with the Express Company.

Other transportation revenues were generally about the same as in 1922, with the exception of switching revenue, which shows an increase of 12.91% due to an increased number of cars handled.

The increase in incidental operating revenues was composed of a number of small increases in the various items classed under this heading, the largest of which was an increase of $208,005.91 in demurrage accounts due to the increased volume of business:

OPERATING STATISTICS:

Tons of revenue freight carried, 1923	43,483,603	
Tons of revenue freight carried, 1922	39,176,051	
Increase	4,307,552	11.00%
Revenue tons one mile, 1923	12,690,384,346	
Revenue tons one mile, 1922	11,754,595,862	
Increase	935,788,484	7.96%
Revenue tons per train mile, 1923	611.68	
Revenue tons per train mile, 1922	628.82	
Decrease	17.14	2.73%

OPERATING STATISTICS—Continued

Revenue tons per loaded car, 1923	22.88	
Revenue tons per loaded car, 1922	23.69	
Decrease	.81	3.42%
Average revenue per ton mile (cents) 1923	.996	
Average revenue per ton mile (cents) 1922	1.033	
Decrease	.037	3.58%
Average distance hauled per revenue ton (miles) 1923	291.84	
Average distance hauled per revenue ton (miles) 1922	300.05	
Decrease	8.21	2.74%
Revenue passengers carried, 1923	18,502,145	
Revenue passengers carried, 1922	18,735,077	
Decrease	232,932	1.24%
Revenue passengers carried one mile, 1923	967,096,799	
Revenue passengers carried one mile, 1922	941,748,451	
Increase	25,348,348	2.69%
Average distance carried, revenue passengers, 1923	52.27	
Average distance carried, revenue passengers, 1922	50.27	
Increase	2.00	3.98%

EXPENDITURES (OPERATING):

Total operating expenses, 1923	$134,290,378.56	
Total operating expenses, 1922	126,777,703.10	
Increase	$ 7,512,675.46	5.93%

The increase in operating expenses was due to three major causes:

(1) An increase of 7.96% in net ton miles of revenue freight handled and 2.69% in revenue passenger miles, rendering necessary additional train service and increased transportation expense.

With an increase of $6,354,190.26 in operating revenues for the year, the increased transportation required was furnished with an increase of only $520,215; stated otherwise, with an increase of 11% in tons of revenue freight carried, reflected in an increase of 7.96% in net ton miles of revenue freight handled and 2.69% in revenue passenger miles, resulting with miscellaneous operating revenues in a total increase of 3.85% in revenues, the transportation cost was increased only .83%. The ratio of conducting transportation cost was 37.01%, which was the lowest transportation ratio for any year since 1917. The operating ratio was 78.41% as compared with 76.87% in 1922, this increase being wholly attributable to the increased maintenance expenditures for way and structures and for equipment;

(2) an increase of $1,215,177.78 in expenditures for maintenance of way and structures, principally due to heavy damage to tracks and bridges on lines west of Missouri River by storms and floods, during the

EXPENDITURES (OPERATING)—Continued

months of July, August, September and October. There were three successive destructive floods on our Wyoming lines, the first occurring on July 23rd and 24th, the second on September 27th and 28th and the third on October 9th.

The first of these floods damaged considerable mileage of track and a number of bridges between Casper and Thermopolis, Wyoming, and substantially destroyed about twenty miles of line in that territory between Lysite and Bonneville. Later floods not only interfered with reconstruction work, but destroyed a considerable amount of new work before opportunity had been given to protect it, and in consequence all through service between Casper and Billings was interrupted between July 23rd and November 1st. During this period through business was moved via the Sheridan-Alliance line.

(3) An increase of $4,918,921.95 in the expenditures for maintenance of equipment. These expenditures were required in part because of delayed repairs resulting from strike of mechanical employes during the latter part of the year 1922, but also were due to the continuance of the program of equipment repairs and rebuilding of a large number of freight cars that had reached a period when that class of work was required to continue them in service. Approximately 6,000 steel coal cars, acquired about 12 years ago and which had reached a condition which required substantial rebuilding, were rebuilt during the year 1923, and it is expected that substantially the same number will require similar work during the next two or three years. In all, 11,638 freight cars of various types were given heavy repairs on our own rails, which was an increase over the year 1922 of 25.54%.

General repairs were given 896 locomotives during the year, or an increase of 59.43% over the preceding year. The power and cars of the Company at the end of the year were generally in better condition in consequence of these heavy expenditures than for many years previous.

A statement of operating expenses is shown in detail on pages 42 to 46, inclusive.

It may be noted further that on December 31st, 1920, the Company had 67,460 freight cars with a lading capacity of 2,836,643 tons and an average capacity per car of 42.05 tons. On December 31st, 1923, the Company had 69,756 freight cars, total lading capacity 2,943,011 tons, an average per car of 42.19 tons.

In 1913 the average cost per car for repairs of freight cars was $59.88; in 1917, $65.90 and in 1923 $218.13, due principally to increases in wages and prices of materials.

At the present time 923 locomotives are equipped with superheaters and 259 with automatic stokers. Out of a total of 1978 engines the total tractive power of locomotives on December 31st, 1923, was 71,389,600 pounds, an average of 36,092 pounds per locomotive. On December 31st, 1917, the total tractive power was 57,733,360 pounds, an average of 32,362 pounds.

EXPENDITURES (OPERATING)—Continued

The total payroll for the years 1913, 1917 and 1923 was as follows;

1913	$36,917,360
1917	49,179,625
1923	82,017,006

During 1923 increases in wages of certain classes of employes were found necessary and were made effective aggregating on an annual basis the sum of approximately $1,225,000.

There were no offsetting advances in freight or passenger rates, but some reductions were made necessary, so that the average rate per ton per mile on our freight traffic decreased 3.58% from the average for 1922. Had the same rate per ton per mile been collected in 1923 as in 1922, the total freight earnings of the Company would have been $4,658,572 additional.

As compared with the year 1916 there has been an increase in the average revenue per passenger mile of 48.4%; on freight per ton per mile, 40.7%. The increase in the average wages paid per hour to employes was, in 1923, 108.5% over 1916; the increase in taxes paid was 92.3%; the price of engine fuel per ton increased 102% and the increase in prices of other materials generally averaged about 75%. This great disparity as between relative increase in cost of wages, taxes, fuel and material as compared with advances in rates would have greatly reduced the net revenues of the Company had it not been possible to overcome the disparity by improvement in methods of operation and economies resulting from capital expenditures for improved facilities, such as yards, engine terminals, modern machinery, heavier power and reduction in grades. The results accomplished in this respect are evidenced by the fact that the number of gross tons moved one mile on the railroad per hour of labor was 242.60 in 1916 and 295.39 in 1923, an increase of 21.8%.

Increased taxes paid by the Company are well shown by the following table of comparisons with previous years:

1913	$3,551,981
1917	8,400,175
1923	9,268,055

EXPENDITURES (CAPITAL):

The year 1923 was notable for the great effort made to increase traffic capacity of the railroads, to handle the peak load of transportation with a minimum of delay and a maximum of service to the country. This effort was concentrated largely on improvements to enlarge capacity and in providing additions to equipment, together with improved facilities for maintaining equipment in a high state of repair. This movement was successful to a very gratifying extent, and your Company performed its full share in this accomplishment.

The Capital Expenditures of your Company during 1923 were as follows:

For Road	$12,687,624.85
For Equipment	4,711,949.39
For General	9,174.35
Total	$17,408,748.59

EXPENDITURES (CAPITAL)—Continued

CHICAGO UNION STATION:

Very favorable progress was made on the Chicago Union Station project during the year by the Chicago Union Station Company. This project includes the new Union Depot with largely increased trackage facilities, interlocking plant, power plant, railway mail building, elevation of Canal Street and reconstruction of viaducts carrying intersecting streets. By the addition of eight floors of office space above the depot building, a substantial revenue will be earned as a credit against the increased cost of operating this larger facility, and provision has been made for further office floors to be constructed in future years when conditions justify this further expenditure. It is expected that the new depot will be ready for service by January 1st, 1925, thus furnishing a modern passenger terminal in this highly competitive territory.

CHICAGO FREIGHT TERMINALS:

In connection with the new Chicago Union Depot project, extensive reconstruction and enlargement of the Harrison Street freight terminals is in progress.

The new inbound freight house and related facilities (temporarily used as an outbound house) were completed and put in service on April 9th, 1923, at a total capital cost of $1,228,841.05, of which $294,937.44 was expended in 1923.

Contract was let for construction of new outbound freight house and work is well advanced, the total estimated capital cost being $2,547,893 of which $969,383.28 was expended in 1923.

Elevation of Canal Street from Harrison Street to Polk Street was commenced and work is well advanced, the total estimated cost being $714,808 of which $640,235 was expended in 1923. Your Company has valuable rights upon the sub-surface of Canal Street between these points to serve the adjacent property with industrial trackage.

AURORA, ILL., TRACK ELEVATION:

This project was begun in 1915 and is now substantially completed. A commodious passenger depot was completed and placed in service on May 8th, 1923, and the new freight depot was completed and placed in service on August 1st, 1923.

The total capital expenditures on this project for the year were $311,710.43.

EOLA, ILL., IMPROVEMENTS:

The centralized plant for scrap storage and reclaiming of salvage material of all kinds, mentioned in report for last year, was completed and placed in service on October 1st, 1923, the total capital cost being $262,181.25 of which $206,430.34 was expended in 1923.

A five-stall addition to roundhouse at Eola was completed and placed in service September 1st, 1923, at a capital cost of $33,474.20.

Connecting and storage tracks for interchange with the Elgin, Joliet & Eastern Railway at Eola, was completed at a capital cost of $61,006.09.

EXPENDITURES (CAPITAL)—Continued

DENVER LOCOMOTIVE REPAIR SHOPS:

These shops, referred to in report for last year, were completed and placed in service on December 1st, 1923, at a total capital cost of $2,348,905.92 of which $2,009,833.57 was expended in 1923.

LOW GRADE LINE, FREDERICK TO VERMONT, ILL.:

In order to eliminate a pusher grade against northbound coal traffic and to increase the operating capacity of the line, contract has been let for construction of eighteen miles of low grade line from Frederick to Vermont, Ill., with maximum grade of 0.25% to handle northbound tonnage trains. This line will serve practically as a northbound second track, although all passenger and way freight business will continue to move over the present line. Work is now well advanced and it is hoped to complete the line in time for heavy coal movement in the fall of 1924.

Construction of the low grade line will not only result in material economy of operation by elimination of pusher service, but will also greatly increase the capacity of the line and provide for the increasing business with continued increase in operating economy. The total estimated cost of this project is $2,470,760 of which $2,450,269 is a capital charge. Expenditures for 1923 charged to Capital Account amounted to $719,799.46.

CHALCO-YUTAN LINE:

New line from Chalco to Yutan, Nebr., 11.87 miles in length, to provide improved service between Omaha, Nebr., and Sioux City, Ia., was completed and placed in service in May, 1923, at a total capital cost of $729,507.26 of which $3,247.44 was expended in 1923. This project was begun in 1915, but completion was delayed on account of the World War.

LINE CHANGES IN WYOMING:

In the summer and fall of 1923, rainfall of unprecedented intensity occurred in the Wyoming District, particularly on the watershed of Bad Water Creek west of Casper, causing heavy washout damage and continued interruption of traffic from July 26th to November 1st. The most severe damage occurred between Lysite and Bonneville, a distance of twenty miles, where much of the line was destroyed. After thorough investigation, it was decided to relocate the line between these points on higher ground at a greater distance from the stream in order to reduce the liability of washout and delay to traffic. A desirable location was found that resulted in eliminating eight of the eleven crossings of the stream. Contract was let shortly after the floods occurred and work has been pushed with exceptional vigor. The relocated line was opened to traffic between Bonneville and Schoening, eight miles, on November 1st, 1923, and it is expected that the line from Schoening to Lysite, twelve miles,

EXPENDITURES (CAPITAL)—Continued

LINE CHANGES IN WYOMING—Continued:

will be completed and in service early in 1924. The total estimated cost of this project, including charges to operation as well as to capital, is $2,422,504; the total expenditures to December 31st, 1923, amounting to $1,087,891.91.

WESTON, MO., RE-ALIGNMENT:

On account of frequent overflows of Mill Creek and Wells Branch, at this point, it became necessary to raise grade twelve feet and reconstruct bridges over these streams to provide increased waterway. At the same time, the alignment was straightened, involving the construction of a new depot. The total capital expenditures amounted to $205,592.68 of which $200,493.68 was expended in 1923.

SALUDA (GALESBURG, ILL.) RESERVOIR:

Construction of 900,000,000 gallon reservoir and complete electrical pumping plant, with adequate pipe line, referred to in report for last year, was placed in service on June 15, 1923, the total capital cost being $425,830.02 of which $188,301.32 was expended in 1923.

OSWEGO, ILL., GRAVEL PIT TRACKS:

In connection with a large plant installed by the Illinois Sand & Gravel Company to supply washed and screened gravel and sand for ballast and concrete purposes for railroad and commercial use, an extensive yard was constructed by the railroad Company to handle the products of the plant, the capital cost being $70,804.46.

PASSENGER STATION CONNECTION, OMAHA, NEBR.:

Revision of track connection at east end of Omaha passenger station to provide double track access to the Missouri River bridge, was completed at a capital cost of $8,416.66. In connection with this project, a concrete subway was completed at Seventh Street, at a capital cost of $36,994.67. This improvement was much needed to provide better operations at this important station.

LOCOMOTIVE TERMINAL IMPROVEMENTS:

A modern power plant was completed at Alliance, Nebr., at a capital cost of $59,124.38, a much needed improvement to economically facilitate prompt repair and turning of locomotives.

A six stall roundhouse and machine shop at Mendota, Ill., was completed and placed in service December 1st, 1923, at a capital cost of $55,880.06.

A ten stall roundhouse to take care of increased business was constructed at Beardstown, Ill., at a capital cost of $120,961.90.

EXPENDITURES (CAPITAL)—Continued

Locomotive Terminal Improvements—Continued:

A five stall addition to roundhouse at Casper, Wyo., was completed at a capital cost of $43,791.29 to provide for increased requirements at that point.

Six stalls of roundhouse at McCook, Nebr., were rebuilt and lengthened to accommodate larger locomotives, at a total capital cost of $22,436.93.

Locomotive turntables of increased length and capacity were installed as follows:

At Beardstown, Ill.	Length 100 Ft.
At Burlington, Iowa	Length 90 Ft.
At Lincoln, Nebr.	Length 100 Ft.
At McCook, Nebr.	Length 100 Ft.

at a capital cost of $70,676.18.

Platte River Bridge, Oreapolis, Nebr.:

Replacement of the temporary portion of this bridge, consisting of 1035 feet of wooden pile trestle, with permanent steel and concrete structure, was undertaken and work is well advanced. The total estimated cost of this project is $326,753 of which $267,641 is chargeable to Capital Account. Capital expenditures for the year amounted to $104,866.18. When this work is completed the entire bridge will have been renewed in permanent form.

Second Track Construction, Beardstown, Division:

In continuation of the program of double tracking the line from Galesburg to Herrin, Ill., referred to in report for last year, additional second track was completed from Reno to Ayers, 5.23 miles, and from Woodlawn to Waltonville, 8.03 miles, at a total capital cost of $389,754.01.

Miscellaneous Projects:

New passenger station at Hardin, Mont., together with remodeling of old depot for use as freight house was completed at a capital cost of $33,827.21.

Passing track 5,000 feet long with interlocking in connection therewith was constructed at Mendota, Ill., in order to facilitate movement of important trains, at a capital cost of $71,095.55.

Brick store and oil house, together with modern 250-ton mechanical coaling station, was completed at Ottumwa, Iowa, at a capital cost of $34,799.49.

Freight yard at Pacific Jct., Iowa, was enlarged by extending five tracks to hold a full 85-car train each, at a capital cost of $42,389.98.

Revision of freight yard at Lincoln, Nebr., for operation as a flat switching yard, was completed at a capital cost of $65,809.27.

Extension of Gebo Mine spur at Kirby, Wyo., a distance of 6,500 ft., together with necessary tipple tracks, was undertaken at the request of

EXPENDITURES (CAPITAL)—Continued

Miscellaneous Projects—Continued

the Owl Creek Coal Company, and will be completed early in 1924. The total estimated cost of this project is $101,130 of which $65,469 is to be paid by the Mine Company.

Expenditures for 1923 amounted to $63,106.84.

Bridge Replacements:

The usual program of replacement of temporary pile trestle bridges in kind on branch lines, and with permanent structures on the more important main lines, was carried out in 1923. There was expended on this account during the year $418,216.82, charged to capital account.

Automatic Block Signals:

In continuation of the established practice of extending automatic block signal protection from year to year, 234.30 road miles of new automatic signals were completed and placed in service and 62.25 road miles were under construction to be completed early in 1924, the total capital expenditures for the year being $516,896.16.

Rail Replacement:

There was laid in main track replacement during the year 234.19 miles of new 90 lb. and 100 lb. rail and 159.57 miles of second hand rail, at a capital cost of $308,845.81.

Improvements and Additions to Equipment:

Particular effort was made during the year to maintain a proper quota of equipment for maximum operating efficiency. Sixty modern Mikado freight locomotives equipped with superheaters, stokers and feed water heaters were delivered by the builders during the year, thus adding very materially to capacity to handle all business offered, and maintain satisfactory service under maximum demand for transportation. There was also delivered during the year the following equipment, completing orders placed and partial deliveries during the preceding year and mentioned in the report for 1922:

97	40′6″ 80M Automobile cars
200	33′2¾″ 60M Refrigerator cars

Application of superheaters to 25 class R-4, R-5, S-1 and P-3 locomotives in order to modernize old types, was undertaken, and 7 R-5, 2 S-1 and 3 P-3 were completed at the end of the year.

Application of twenty feed water heaters to M-2 and M-2-A locomotives was undertaken to accomplish saving in fuel and increase capacity, and 6 Elesco and 7 Worthington Heaters were applied during the year.

VALUATION:

Aside from the cost of reporting on Additions and Betterments as required by Valuation Order No. 3, the monthly valuation expense attributable to the Federal Valuation Act of March, 1913, was reduced to about one-half of what it was at the beginning of the year. The greater part of the expense during 1923 was for replacement of information destroyed in the 1922 General Office fire, the preparation of data and exhibits for use in conferences and probable hearings on Engineering, Land and Accounting Reports of the Bureau of Valuation, Interstate Commerce Commission, and the conducting of conferences with that Bureau for the purpose of revising these reports. The work during the coming year will be largely concerned with continued revisions of reports and preparations to meet the tentative valuation which may be served before the end of the year. The total expenditures charged to Valuation to December 31, 1923, were $3,445,175.60, of which $287,017.50 represents the expenditure in 1923.

INDUSTRIAL:

There were constructed and extended during the year industrial tracks as follows:

	New Tracks	Extensions
On Lines East of the Missouri River	41	21
On Lines West of the Missouri River	23	10
	64	31

The number of new industrial leases made during the year reflects gradual expansion in business throughout all our territory, there being 478 new industrial leases executed during the year. One hundred and four important industrial plants were located on the railroad during the year and thirty five existing industries made material additions to their plants.

The report for 1922 mentioned the progress being made in oil developments and this was continued, one new refinery being built during the year on the railroad in the Casper district.

Near Keystone, S. D., large deposits of feldspar have been discovered and it is thought can be worked with profit and should furnish considerable tonnage to the railroad.

AGRICULTURAL:

There has been a steady improvement in the farmer's financial condition during the year, but very little land changed hands by purchase. As a result of colonization advertising, inquiries for land totaled 3,400 —more than double the number in 1922; 420 individuals filed on government lands in Wyoming, as compared with 1,330 in 1922 and 1,800 in 1921. The amount of desirable government land is steadily and rapidly decreasing. No new government irrigated homesteads were opened up for settlement, but work has continued on the Willwood Division of Shoshone project, and 18,000 acres will probably be opened for settlement in 1924. 988 cars of immigrants' effects were received on the Alliance, Casper, McCook, Sheridan and Sterling Divisions. This is

AGRICULTURAL—Continued

301 more than 1922, and 393 more than 1921, indicating increased settlement. A new booklet, advertising opportunities in Northeast Wyoming, was issued, and assistance was given in the preparation of new booklets for Logan County, Colorado, and Thurston County, Nebraska; 25,000 follow-up letters and 26,000 pieces of literature were sent to inquiries.

Agricultural activities were centered on promoting diversified farming, and livestock production. A twelve car Pure Bred Sire special train was operated in Colorado, from which 58 pure bred sires, donated by Colorado breeders and valued at $10,000, were traded even for 58 scrubs which were sold for slaughter at the conclusion of the trip for $589.00. Twenty-nine communities were visited and 25,000 people saw the demonstrations proving the value of pure bred sires, and examined the educational exhibits; 90,000 pieces of literature were distributed, 4,500 column inches of newspaper publicity about this campaign with a total circulation of over 2,000,000 readers appeared in the press. 83 pure bred sires, 211 head of dairy cows, 600 head of feeder cattle and 7 carloads of feed and seed were purchased for farmers. 11,000 lbs. of high grade seed corn was furnished free to 740 farmers in the Big Horn Basin, Wyoming, to encourage corn growing. Three thousand acres were planted, the first state corn show was organized and 5,000 ears of corn exhibited. This is of great importance in stimulating the production of live stock and diversified farming in a section where it was thought corn could not be produced successfully for feed. A poster calling attention to a new pasture grass mixture for irrigated lands was printed and distributed. An investigation of the market for certified seed potatoes was made in Louisiana, Oklahoma and Texas, resulting in the sale of 28,000 pounds for dry land growers of Wyoming and Nebraska, thus opening up a very large market for future production. Several lots of western grown seed potatoes were introduced for experimental purposes into the Corn Belt. A large number of articles have been published and meetings held, covering a wide range of subjects, in the interests of better agriculture.

PENSION DEPARTMENT:

Reference was made in the report of the previous year to the inauguration of a pension system authorized by the Board of Directors on December 1st, 1921.

The plan has been in operation for two years with increasing indications of appreciation upon the part of former officers and employes.

During the year additional retiring allowances were made to 217 individuals, making a total as of December 31, 1923, of 732.

The total amount disbursed during the past year was $416,155.01.

Following herewith is the report of the Comptroller.

By order of the Board of Directors.

HALE HOLDEN,
President.

REPORT OF THE COMPTROLLER

To the Directors of the Chicago, Burlington & Quincy Railroad Company:

The following statements are herewith submitted:

General balance sheet
Income account
Funded debt
Description of funded debt
Operating revenues and expenses

HERBERT W. JOHNSON,
Comptroller.

Chicago, January 2, 1924.

GENERAL BALANCE SHEET

December 31, 1923

ASSETS

Investments:		
Investment in road and equipment:		
Road	$ 433,983,317.72	
Equipment	117,393,733.01	
General expenditures	1,163,508.07	$552,540,558.80
Deposits in lieu of mortgaged property sold		24,102.52
Miscellaneous physical property		941,796.25
Investments in affiliated companies:		
Stocks	$ 31,389,082.81	
Bonds	1,592,671.07	
Notes	6,179,165.47	
Advances	5,876,534.91	45,037,454.26
Other investments:		
Stocks	$ 254,010.00	
Bonds	1,300,392.10	
Notes	280,393.29	
Miscellaneous	275.00	1,835,070.39
Total investments (capital assets)		600,378,982.22
Current assets:		
Cash	$ 9,777,131.08	
Time drafts and deposits	91,035.98	
Special deposits	1,052.89	
Loans and bills receivable	35,264.63	
Traffic and car-service balances receivable	1,541,850.64	
Net balance receivable from agents and conductors	2,214,546.91	
Miscellaneous accounts receivable	5,882,540.52	
Material and supplies	23,402,757.88	
Other current assets	815,425.84	
Total current assets		43,761,606.37
Deferred assets:		
Working fund advances	$ 28,202.22	
Other deferred assets	349,484.84	
Total deferred assets		377,687.06
U. S. Government assets	Cr.	407.72
Unadjusted debits:		
Insurance premium paid in advance	$ 157,588.63	
Discount on funded debt	3,943,332.58	
Other unadjusted debits	4,022,806.50	
Total unadjusted debits		8,123,727.71
Grand total		$652,641,595.64

GENERAL BALANCE SHEET

December 31, 1923

LIABILITIES

Capital stock:		
Common Stock		$170,839,100.00
Long term debt:		
Funded debt unmatured	$214,045,000.00	
Less bonds held in Treasury	11,289,000.00	
Total long term debt outstanding		202,756,000.00
Total capital liabilities		373,595,100.00
Current liabilities:		
Traffic and car-service balances payable	$ 2,525,868.61	
Audited accounts and wages payable	9,713,042.08	
Miscellaneous accounts payable	654,362.68	
Interest matured unpaid	1,028,894.50	
Funded debt matured unpaid	9,600.00	
Unmatured interest accrued	1,749,840.00	
Other current liabilities	1,071,364.90	
Total current liabilities		16,752,972.77
Deferred liabilities:		
Other deferred liabilities	$ 111,795.30	
Total deferred liabilities		111,795.30
U. S. Government deferred liabilities		8,175.97
Unadjusted credits:		
Tax liability	$ 6,736,698.95	
Insurance reserves	1,415,981.24	
Operating reserves	1,845,439.13	
Accrued depreciation—Equipment	63,361,259.19	
Other unadjusted credits	4,222,316.02	
Total unadjusted credits		77,581,694.53
Corporate surplus:		
Additions to property through income and surplus	$ 223,124.07	
Funded debt retired through income	43,162,437.94	
Sinking fund reserves	196,873.36	
Profit and loss	141,009,421.70	
Total corporate surplus		184,591,857.07
Grand total		$652,641,595.64

INCOME ACCOUNT

Year Ended December 31, 1923

OPERATING INCOME.		
Railway operating revenues:		
Transportation:		
Freight	$126,433,098.13	
Passenger	28,569,830.88	
Excess baggage	323,012.86	
Mail	4,242,408.35	
Express	4,442,387.40	
Other passenger train	315,595.25	
Milk	917,350.39	
Switching	2,761,227.58	
Special service train	89,300.17	
Other freight train	5,945.00	$168,100,156.01
Incidental:		
Dining and buffet	$ 913,135.78	
Hotel and restaurant	234,635.89	
Station, train and boat privileges	17,720.94	
Parcel room	19,009.25	
Storage—Freight	77,736.89	
Storage—Baggage	21,909.46	
Demurrage	606,947.75	
Telegraph and telephone	194,610.77	
Stock yards	269,606.33	
Power	3,329.01	
Rent of buildings and other property	170,601.06	
Miscellaneous	269,557.89	2,798,801.02
Joint facility—Cr	$ 382,447.78	
Joint facility—Dr	10,744.01	371,703.77
Total railway operating revenues		171,270,660.80
Railway operating expenses:		
Maintenance of way and structures	$ 21,984,557.03	
Maintenance of equipment	40,654,335.51	
Traffic	2,815,004.27	
Transportation	63,395,808.20	
Miscellaneous operations	1,716,368.53	
General	4,318,010.52	
Transportation for investment—Credit	593,705.50	134,290,378.56
Net revenue from railway operations		36,980,282.24
Railway tax accruals	$ 9,268,054.87	
Uncollectible railway revenues	57,456.37	9,325,511.24
Railway operating income		$ 27,654,771.00

Railway operating income			$ 27,654,771.00
NON-OPERATING INCOME:			
Hire of equipment		$ 593,161.45	
Joint facility rent income		612,915.71	
Income from lease of road		11,262.06	
Miscellaneous rent income		720,936.76	
Miscellaneous nonoperating physical property		Dr. 1,891.39	
Dividend income		309,297.00	
Income from funded securities		487,496.36	
Income from unfunded securities and accounts		932,463.94	
Miscellaneous income		5,199.41	3,670,841.30
Gross income			31,325,612.30
DEDUCTIONS FROM GROSS INCOME:			
Hire of equipment		$ 1,766,285.34	
Joint facility rents		1,728,996.02	
Rent for leased roads		114,125.79	
Miscellaneous rents		24,553.54	
Miscellaneous tax accruals		15,131.33	
Interest on funded debt		8,256,488.34	
Interest on unfunded debt		29,905.62	
Amortization of discount on funded debt		99,597.13	12,035,083.11
Net income			19,290,529.19
DISPOSITION OF NET INCOME:			
Income applied to sinking funds		$ 289,409.67	
Dividend appropriations of income:			
5 per cent June 25	$8.541,865.00		
5 per cent Dec. 26	8,541,870.00	17,083,735.00	17,373,144.67
Income balance transferred to profit and loss			$ 1,917,384.52

NET RAILWAY OPERATING INCOME

As reported to the Interstate Commerce Commission for the year 1923 in conformance with the requirement of the Transportation Act relating to return of excess earnings.

Railway Operating Income		$27,654,771.00
NON-OPERATING INCOME:		
Hire of equipment	$593,161.45	
Joint facility rents	612,915.71	1,206,077.16
		28,860,848.16
DEDUCTIONS FROM RAILWAY OPERATING INCOME:		
Hire of equipment	$1,766,285.34	
Joint facility rents	1,728,996.02	3,495,281.36
Net Railway Operating Income		$25,365,566.80

FUNDED DEBT OF THE CHICAGO,

Designation of obligation	Term: Date of issue	Term: Date of maturity	Total par value authorized
MORTGAGE BONDS			
First and Refunding Mortgage: Series A	Aug. 1, 1921	Feb. 1, 1971	$30,000,000
General Mortgage	Mar. 2, 1908	Mar. 1, 1958	75,120,000
Illinois Division Mortgage	July 1, 1899	July 1, 1949	50,835,000
Illinois Division Mortgage	July 1, 1899	July 1, 1949	34,165,000
Nebraska Extension Mortgage (Sinking Fund)	May 2, 1887	May 1, 1927	29,441,000
EQUIPMENT OBLIGATIONS			
Equipment Trust (U. S. R.R.A. No. 18): Gold Notes	Jan. 15, 1920	$404,000, Jan. 15 each year to 1935	6,060,000
Total			$225,621,000

BURLINGTON & QUINCY RAILROAD COMPANY

Total nominally or actually outstanding	Nominally outstanding held in treasury	Actually outstanding in hands of public	Interest		
			Rate	When payable	Accrued during year on bonds actually outstanding
$30,000,000	....	$30,000,000	5	F. & A.	$1,500,000.00
75,120,000	$ 9,873,000	65,247,000	4	M. & S.	2,609,880.00
50,835,000	384,000	50,451,000	3½	J. & J.	1,765,785.00
34,165,000	189,000	33,976,000	4	J. & J.	1,359,040.00
19,077,000	843,000	18,234,000	4	M. & N.	729,893.34
4,848,000	....	4,848,000	6	15th day J. & J.	291,890.00
$214,045,000	$ 11,289,000	$202,756,000	....	....	$8,256,488.34

DESCRIPTION OF FUNDED DEBT

The total par value of unmatured funded debt nominally or actually outstanding is:

In hands of public	$202,756,000
Held in treasury	11,289,000
	$214,045,000

First and Refunding Mortgage

This mortgage is a lien on the total mileage of main and branch lines owned by this Company, having an aggregate length of 8,983.36 miles, situated in the States of Illinois, Wisconsin, Minnesota, Iowa, Missouri, Nebraska, Kansas, Colorado, South Dakota, Wyoming and Montana, and on all property and equipment appurtenant thereto, and includes its terminals in Chicago, Aurora, Galesburg, Peoria and East St. Louis in Illinois; St. Paul and Winona in Minnesota; St. Louis, Hannibal, Kansas City and St. Joseph in Missouri; Clinton, Dubuque, Burlington, Ottumwa, Des Moines and Council Bluffs in Iowa; Omaha and Lincoln in Nebraska; Denver in Colorado; and elsewhere. This lien is subject to the prior liens of the mortgages described below.

	Miles
The mortgage covers	8,983.36
Of which there are subject to prior liens	
Of the General Mortgage only	5,370.70
Of the General Mortgage and the Illinois Division Mortgage	1,646.13
Of the General Mortgage and the Nebraska Extension Mortgage	1,471.41

There are also pledged, as further security for bonds issued under this mortgage, all right and title of this Company to the stock, which it now owns, of bridge, depot and terminal companies, and of the Davenport, Rock Island and Northwestern Railway Company and The Colorado and Southern Railway Company; 305,262 shares of the latter being subject, also, to the lien of the General Mortgage; and 7,000 shares of the Chicago Union Station Company being subject to the lien of the Illinois Division Mortgage.

Series A bonds issued under this mortgage may be redeemed, as a whole, by the Company on 60 days' notice, on any interest date, as follows: at 107½ and accrued interest, February 1, 1942, to August 1, 1951; at 105 and accrued interest, February 1, 1952, to August 1, 1961; at 103 and accrued interest, February 1, 1962, to August 1, 1970.

No changes during year.

General Mortgage

This mortgage is a lien on 8,488.24 miles of this Company's main and branch lines, including terminals, equipment and property appurtenant thereto, situated in the States of Illinois, Wisconsin, Minnesota, Iowa, Missouri, Nebraska, Kansas, Colorado, South Dakota, Wyoming and Montana, subject, as to a certain part, to the lien of the Illinois Division Mortgage, and, as to another part, to the lien of the Nebraska Extension Mortgage.

	Miles
The mortgage covers	8,488.24
Of which there are subject to prior liens	
Of the Illinois Division Mortgage	1,646.13
Of the Nebraska Extension Mortgage	1,471.41

This mortgage is also secured by the deposit, with the Trustee, of 305,262 shares of the capital stock of The Colorado and Southern Railway Company.

No changes during year

Illinois Division Mortgage

This mortgage is a first lien on the following mileage and on the Company's terminals in Chicago and points on and east of the Mississippi River:

	Miles
Chicago, Ill., to Burlington, Iowa	203.94
Galesburg, Ill., to Quincy, Ill	99.91
South Aurora, Ill., to St. Paul, Minn	379.41
Rock Island, Ill., to East Alton, Ill	226.85
South Aurora, Ill., to West Chicago, Ill	12.27
Aurora, Ill., to Geneva, Ill	7.54
Montgomery, Ill., to Streator, Ill	57.55
Streator, Ill., to Walnut Junction, Ill	59.49
Sheridan Junction, Ill., to Paw Paw, Ill	19.54
Mendota, Ill., to Savanna, Ill	80.86
Buda, Ill., to Elmwood, Ill	44.82
Yates City, Ill., to Rushville, Ill	62.79
Galva, Ill., to New Boston, Ill	50.63
Galesburg, Ill., to Peoria, Ill	52.77
Galesburg, Ill., to Rio, Ill	12.22
Gladstone, Ill., to Arpee, Ill	23.38
Carthage Junction, Ill., to Quincy, Ill	71.21
Quincy, Ill., to East Louisiana and East Hannibal, Ill	46.33
Shabbona, Ill., to Barstow, Ill	88.42
Flag Center, Ill., to Rockford, Ill	23.50
Oregon, Ill., to Forreston, Ill	17.96
Galena Junction, Ill., to Galena, Ill	3.82
East Clinton, Ill., to Clinton, Iowa	.39
East Dubuque, Ill., to Dubuque, Iowa	.53
Total	1,646.13

These bonds may be redeemed, as a whole, by the Company on six months' notice, at 105 and accrued interest, upon any interest day after July 1, 1929.

No changes during year

Nebraska Extension Mortgage

	Miles
This mortgage is a first lien on a section of the Republican Valley R. R., from Hastings to Aurora, Neb.	27.75
And on a section of the Grand Island & Wyoming Central R. R., from Grand Island to Alliance, Neb.	269.16
And is also secured by the deposit, with the Trustee, of $23,494,200 of the first mortgage bonds of the railroad companies whose roads are described below, viz.:	
Nebraska & Colorado R. R.	
De Witt, Neb., via Strang, Blue Hill and Holdrege, to west line of Nebraska	298.32
Fairmont, Neb., via Strang, to Chester, Neb	45.19
Edgar, Neb., to Superior, Neb	26.53
Kenesaw, Neb., via Holdrege, to Oxford, Neb	60.67
Omaha & North Platte R. R.	
Omaha, Neb., via Ashland, to Schuyler, Neb	80.59
Lincoln & Black Hills R. R.	
Central City, Neb., to Ericson, Neb	62.94
Palmer, Neb., to Arcadia, Neb	53.61
Greeley Center, Neb., to Burwell, Neb	40.38
Colorado & Wyoming R. R.	
From Junction with Nebraska & Colorado R. R., on west line of State of Nebraska to Junction with Cheyenne & Burlington R. R., on the south line of Wyoming	144.58
Cheyenne & Burlington R. R.	
From Junction with Colorado & Wyoming R. R., as above, to Cheyenne, Wyo	29.01
Oxford & Kansas R. R.	
Orleans, Neb., to a Junction with the Beaver Valley R. R., on the south line of the State of Nebraska	59.61
Beaver Valley R. R.	
From a Junction with the Oxford & Kansas R. R., as above, to St. Francis, Kan	74.18
Chicago, Nebraska & Kansas R. R.	
Odell, Neb., to Concordia, Kan	71.49
Republican Valley, Kansas & Southwestern R. R.	
Republican City, Neb., to Oberlin, Kan	78.23
Republican Valley & Wyoming R. R.	
Culbertson, Neb., to Imperial, Neb	49.17
Total	1,471.41

Sinking fund is 1 percent of the par value of all bonds issued payable annually on May 1, and is to be invested in bonds of this issue at a maximum price of 110 and accrued interest, the bonds so purchased to be canceled. If in any year sufficient bonds to absorb the fund cannot be purchased on proposals at or under the maximum price, any unexpended remainder of the sinking fund payment is to be returned to the general funds of the Company, and its obligation to purchase bonds during that year therewith ceases.

Changes during year

Purchased for sinking fund and canceled:		
From company	$267,000	
From public	40,000	$307,000

Equipment Trust

This Trust is a first lien on the following equipment:

1,000 gondola cars, Nos. 188000-188999.
500 box cars, Nos. 120500-120999.
10 Santa Fe locomotives, Nos. 6300-6309.
15 Mikado locomotives, Nos. 5500-5514.
10 light switch locomotives, Nos. 500-509.
10 heavy switch locomotives, Nos. 540-549.

The notes issued under this Trust Agreement are payable in annual installments of $404,000 on January 15th of each year to 1935.

Changes during year

Notes maturing January 15, 1923, purchased and cancelled, $404,000.

COMPARATIVE STATEMENT OF RAILWAY OPERATING REVENUES FOR YEARS ENDED DECEMBER 31,

	1923	1922	INCREASE	DECREASE
TRANSPORTATION:				
Freight	$126,433,098.13	$ 121,388,901.62	$5,044,196.51	
Passenger	28,569,830.88	28,380,103.84	189,727.04	
Excess baggage	323,012.86	324,234.43		$ 1,221.57
Parlor and chair car		147.68		147.68
Mail	4,242,408.35	4,258,311.92		15,903.57
Express	4,442,387.40	3,948,338.83	494,048.57	
Other passenger train	315,595.25	267,043.14	48,552.11	
Milk	917,350.39	922,278.29		4,927.90
Switching	2,761,227.58	2,445,543.99	315,683.59	
Special service train	89,300.17	90,523.74		1,223.57
Other freight train	5,945.00	9,315.00		3,370.00
Total	$168,100,156.01	$ 162,034,742.48	$ 6,065,413.53	
INCIDENTAL:				
Dining and buffet	$ 913,135.78	$ 891,148.40	$ 21,987.38	
Hotel and restaurant	234,635.89	288,836.46		$ 54,200.57
Station and train privileges	17,720.94	15,258.71	2,462.23	
Parcel room	19,009.25	18,513.64	495.61	
Storage—Freight	77,736.89	88,670.80		10,933.91
Storage—Baggage	21,909.46	21,793.38	116.08	
Demurrage	606,947.75	398,941.84	208,005.91	
Telegraph and telephone	194,610.77	163,943.27	30,667.50	
Stock yards	269,606.33	335,599.51		65,993.18
Power	3,329.01	6,151.54		2,822.53
Rents of buildings and other property	170,601.06	50,357.76	120,243.30	
Miscellaneous	269,557.89	182,527.85	87,030.04	
Total	$ 2,798,801.02	$ 2,461,743.16	$ 337,057.86	
Joint facility—Cr	$ 382,447.78	$ 432,510.06		$ 50,062.28
Joint facility—Dr	Dr. 10,744.01	Dr. 12,525.16	$ 1,781.15	
Total	$ 371,703.77	$ 419,984.90		$ 48,281.13
Total railway operating revenues	$171,270,660.80	$ 164,916,470.54	$ 6,354,190.26	

COMPARATIVE STATEMENT OF RAILWAY OPERATING EXPENSES FOR YEARS ENDED DECEMBER 31,

	1923	1922	INCREASE	DECREASE
MAINTENANCE OF WAY AND STRUCTURES				
Superintendence	$ 1,528,366.62	$1,404,665.86	$ 123,700.76	....
Roadway maintenance	2,806,465.32	2,414,270.83	392,194.49	....
Tunnels and subways	3,134.17	3,766.98	....	$ 632.81
Bridges, trestles and culverts	1,155,948.79	761,202.00	394,746.79	....
Ties	3,645,821.48	3,824,507.02	....	178,685.54
Rails	494,014.13	968,741.70	....	474,727.57
Other track material	1,104,388.23	1,321.214.45	....	216,826.22
Ballast	325,192.76	252,395.32	72,797.44	....
Track laying and surfacing	5,455,226.16	4,780,857.67	674,368.49	....
Right-of-way fences	216,960.39	212,342.66	4,617.73	....
Snow and sand fences and snowsheds	19,221.01	16,114.27	3,106.74	....
Crossings and signs	291,327.20	280,178.74	11,148.46	....
Stations and office buildings	684,322.67	954,708.55	....	270,385.88
Roadway buildings	86,662.43	102,567.09	....	15,904.66
Water stations	424,263.50	310,586.60	113,676.90	....
Fuel stations	127,353.25	95,287.70	32,065.55	....
Shops and engine houses	803,425.99	628,940.57	174,485.42	....
Storage warehouses	21.78	154.37	....	132.59
Wharves and docks	55,528.25	9,332.75	46,195.50	....
Telegraph and telephone lines	366,169.90	454,071.50	....	87,901.60
Signals and interlockers	390,821.97	383,603.65	7,218.32	....
Power plant buildings	16,064.10	8,860.77	7,203.33	....
Power distribution systems	9,756.03	6,593.02	3,163.01	....
Power line poles and fixtures	6,288.95	4,413.38	1,875.57	....
Miscellaneous structures	106,860.00	351,661.24	....	244,801.24
Paving	Cr. 1,238.11	2,630.43	....	3,868.54
Roadway machines	215,523.71	173,125.73	42,397.98	....
Small tools and supplies	247,372.38	203,130.19	44,242.19	....
Removing snow, ice and sand	124,377.20	87,024.75	37,352.45	....
Assessments for public improvements	39,737.99	16,006.88	23,731.11	....

Injuries to persons	290,040.28	188,436.45	101,603.83	
Insurance	199,475.02	200,276.62		801.60
Stationery and printing	44,633.54	37,253.05	7,380.49	
Other expenses	1,214.83	1,905.72		690.89
Maintaining joint tracks, yards and other facilities—Dr.	1,009,001.07	813,013.02	195,988.05	
Maintaining joint tracks, yards and other facilities—Cr.	Cr. 309,185.96	Cr. 504,462.28	195,276.32	
Total	$ 21,984,557.03	$ 20,769,379.25	$ 1,215,177.78	
MAINTENANCE OF EQUIPMENT				
Superintendence	$ 842,770.74	$ 804,296.76	$ 38,473.98	
Shop machinery	963,212.63	723,237.76	239,974.87	
Power plant machinery	164,398.91	97,112.37	67,286.54	
Steam locomotives—Repairs	15,163,306.47	11,808,307.30	3,354,999.17	
Steam locomotives—Depreciation	1,413,435.69	1,343,472.20	69,963.49	
Steam locomotives—Retirements	Cr. 19,620.15	Cr. 109,191.23	89,571.08	
Freight train cars—Repairs	15,384,643.28	12,821,536.01	2,563,107.27	
Freight train cars—Depreciation	3,169,002.96	3,109,215.71	59,787.25	
Freight train cars—Retirements	Cr. 414,939.12	Cr. 266,074.38		$ 148,864.74
Passenger train cars—Repairs	1,947,947.53	1,816,269.88	131,677.65	
Passenger train cars—Depreciation	346,165.22	251,594.36	94,570.86	
Passenger train cars—Retirements	Cr. 720.55	Cr. 6,681.52	5,960.97	
Motor equipment of cars—Repairs	8,217.53	7,818.25	399.28	
Floating equipment—Repairs	Cr. 17,411.76	26,000.29		43,412.05
Floating equipment—Depreciation	1,358.92	645.44	713.48	
Floating equipment—Retirements	Cr. 526.17			526.17
Work equipment—Repairs	733,326.81	486,184.75	247,142.06	
Work equipment—Depreciation	171,946.16	184,931.81		12,985.65
Work equipment—Retirements	8,873.61	351.21	8,522.40	
Injuries to persons	274,868.85	200,095.83	74,773.02	
Insurance	236,322.97	234,172.28	2,150.69	
Stationery and printing	40,088.77	27,115.37	12,973.40	
Other expenses	Cr. 5,481.04	1,963,531.20		1,969,012.24
Maintaining joint equipment of terminals—Dr.	260,575.82	212,919.53	47,656.29	
Maintaining joint equipment of terminals—Cr.	Cr. 17,428,57	Cr. 1,447.62		15,980.95
Total	$ 40,654,335.51	$35,735,413.56	$ 4,918,921.95	

COMPARATIVE STATEMENT OF RAILWAY OPERATING EXPENSES FOR YEARS ENDED DECEMBER 31

	1923	1922	INCREASE	DECREASE
TRAFFIC				
Superintendence	$ 652,817.00	$ 607,682.40	$ 45,134.60	....
Outside agencies	1,020,647.06	918,362.40	102,284.66	....
Advertising	687,037.68	357,727.45	329,310.23	....
Traffic associations	127,524.62	103,852.52	23,672.10	....
Industrial and immigration bureaus	18,904.86	12,277.31	6,627.55	....
Insurance	799.44	369.63	429.81	....
Stationery and printing	307,205.18	264,807.06	42,398.12	....
Other expenses	68.43	2,288.31	....	$ 2,219.88
Total	$ 2,815,004.27	$ 2,267,367.08	$ 547,637.19	....
TRANSPORTATION				
Superintendence	$ 1,430,503.15	$ 1,343,927.85	$ 86,575.30	....
Dispatching trains	803,341.61	794,095.32	9,246.29	....
Station employes	8,451,852.36	8,229,194.03	222,658.33	....
Weighing, inspection and demurrage bureaus	204,132.25	190,553.38	13,578.87	....
Station supplies and expenses	545,621.48	530,065.85	15,555.63	....
Yardmasters and yard clerks	1,326,867.38	1,246,389.88	80,477.50	....
Yard conductors and brakemen	3,902,631.09	3,370,530.63	532,100.46	....
Yard switch and signal tenders	291,719.60	289,332.70	2,386.90	....
Yard enginemen	2,424,026.99	2,104,999.49	319,027.50	....
Fuel for yard locomotives	2,426,523.29	2,346,375.11	80,148.18	....
Water for yard locomotives	197,826.65	159,766.40	38,060.25	....
Lubricants for yard locomotives	36,810.05	23,287.34	13,522.71	....
Other supplies for yard locomotives	49,521.40	42,348.21	7,173.19	....
Enginehouse expenses—Yard	983,083.95	932,169.66	50,914.29	....
Yard supplies and expenses	62,943.26	66,845.49	....	$ 3,902.23
Operating joint yards and terminals—Dr.	2,353,399.03	2,027,232.07	326,166.96	....
Operating joint yards and terminals—Cr.	Cr. 183,882.36	Cr. 153,473.74	....	30,408.62
Train enginemen	6,604,241.37	6,154,908.10	449,333.27	....

Train motormen	4,456.62	4,591.55		134.93
Fuel for train locomotives	13,319,876.70	13,751,541.23		431,664.53
Train power purchased	7,306.86	6,557.55	749.31	
Water for train locomotives	690,451.12	642,070.53	48,380.59	
Lubricants for train locomotives	277,891.55	203,708.21	74,183.34	
Other supplies for train locomotives	219,954.02	198,280.73	21,673.29	
Enginehouse expenses—Train	2,795,011.73	2,933,417.03		138,405.30
Trainmen	7,193,398.93	6,776,124.86	417,274.07	
Train supplies and expenses	2,487,081.48	2,975,912.20		488,830.72
Signal and interlocker operation	517,534.69	513,422.63	4,112,06	
Crossing protection	321,995.77	341,795.37		19,799.60
Drawbridge operation	29,244.71	27,976.72	1,267.99	
Telegraph and telephone operation	444,064.26	462,389.28		18,325.02
Operating floating equipment	11,182.18	4,716.95	6,465.23	
Stationery and printing	356,047.22	325,584.53	30,462.69	
Other expenses	127,388.03	1,789,656.04		1,662,268.01
Operating joint tracks and facilities—Dr	468,982.15	476,916.52		7,934.37
Operating joint tracks and facilities—Cr	Cr. 334,184.34	Cr. 298,738.16		35,446.18
Insurance	207,500.70	177,040.20	30,460.50	
Clearing wrecks	175,846.47	130,271.81	45,574.66	
Damage to property	155,059.19	126,353.89	28,705.30	
Damage to live stock on right-of-way	45,862.07	60,860.53		14,998.46
Loss and damage—Freight	951,664.79	766,541.38	185,123.41	
Loss and damage—Baggage	7,641.85	5,202.10	2,439.75	
Injuries to persons	1,003,386.90	774,851.61	228,535.29	
Total	$ 63,395,808.20	$62,875,593.06	$ 520,215.14	
Miscellaneous Operations				
Dining and buffet service	$ 1,281,100.91	$1,144,028.14	$ 137,072.77	
Hotels and restaurants	225,180.63	265,540.53		$ 40,359.90
Stockyards	207,797.96	278,863.55		71,065.59
Producing power sold	2,289.03	4,888.79		2,599.76
Total	$ 1,716,368.53	$1,693,321.01	$ 23,047.52	

COMPARATIVE STATEMENT OF RAILWAY OPERATING EXPENSES FOR YEARS ENDED DECEMBER 31,

	1923	1922	INCREASE	DECREASE
GENERAL				
Salaries and expenses of general officers	$ 313,500.79	$ 328,623.09	....	$ 15,122.30
Salaries and expenses of clerks and attendants	2,247,418.11	2,145,383.32	$ 102,034.79	....
General office supplies and expenses	129,349.82	204,328.84	....	74,979.02
Law expenses	407,282.06	399,745.46	7,536.60	....
Insurance	12,095.20	18,794.15	....	6,698.95
Relief department expenses	161,142.21	151,018.90	10.123.31	....
Pensions	416,155.01	303,934.87	112,220.14	....
Stationery and printing	123,820.79	98,009.72	25,811.07	....
Valuation expenses	287,017.50	380,256.40	....	93,238.90
Other expenses	172,020.01	193,147.25	....	21,127.24
General joint facilities—Dr	51,273.11	55,143.28	....	3,870.17
General joint facilities—Cr	Cr. 3,064.09	Cr. 1,182.55	....	1,881.54
Total	$ 4,318,010.52	$ 4,277,202.73	$ 40,807.79	....
Transportation for investment—Credit	Cr.$ 593,705.50	Cr.$ 840,573.59	$ 246,868.09	....
Total operating expenses	$134,290,378.56	$126,777,703.10	$ 7,512,675.46	....
Operating ratio	78.41%	76.87%	1.54	....

THE COLORADO AND SOUTHERN RAILWAY COMPANY

COMPARATIVE STATEMENT OF INCOME

Years Ended December 31

Percent of Ry. Oper. Revenue	1923	RAILWAY OPERATING REVENUES	1922	Percent of Ry. Oper. Revenue
76.35	$ 9,678,524.98	Freight	$ 10,121,548.15	76.70
16.18	2,050,327.92	Passenger	2,032,089.87	15.40
1.60	202,085.54	Mail	216,597.05	1.64
1.56	198,330.35	Express	252,659.87	1.91
3.02	382,528.15	All other transportation	309,089.41	2.35
1.30	164,462.62	Incidental	187,642.12	1.42
.01Dr.	346.47Dr.	Joint facility	76,610.04	.58
100.00	$ 12,675,913.09	Total railway operating revenues	$ 13,196,236.51	100.00
		RAILWAY OPERATING EXPENSES		
14.73	$ 1,867,163.74	Maintenance of way and structures	$ 1,966,385.04	14.90
27.45	3,478,862.38	Maintenance of equipment	3,090,818.54	23.42
1.31	165,701.64	Traffic	157,517.61	1.20
39.65	5,026,237.70	Transportation	5,038,956.93	38.18
.86	109,447.21	Miscellaneous operations	124,105.49	.94
4.06	513,888.69	General	522,213.60	3.96
.06Cr.	7,008.25 Cr.	Transportation for investment—Credit	Cr. 5,332.21	Cr. .04
88.00	$ 11,154,293.11	Total railway operating expenses	$ 10,894,665.00	82.56
12.00	$ 1,521,619.98	Net revenue from railway operations	$ 2,301,571.51	17.44
....	$ 777,515.94	Railway tax accruals	$ 829,853.05	....
....	4,974.34	Uncollectible railway revenue	3,660.68	....
....	$ 739,129.70	Railway operating income	$ 1,468,057.78	....
		NON-OPERATING INCOME		
....	$ 231,098.70	Hire of equipment	$ 159,614.96	....
....	20,602.88	Joint facility rent income	24,110.25	....
....	84,758.87	Miscellaneous rent income	73,018.15	....
....	2,343,613.42	Dividends and miscellaneous interest	2,025,869.90	....
....	759.72	Miscellaneous income	308.09	....
....	$ 2,680,833.59	Total non-operating income	$ 2,282,921.35	....
....	$ 3,419,963.29	Gross income	$ 3,750,979.13	....
		DEDUCTIONS FROM GROSS INCOME		
....	$ 117,231.05	Hire of equipment	$ 503,782.85	....
....	83,470.24	Joint facility rents	86,122.79	....
....	113,725.14	Miscellaneous rents	113,969.24	....
....	2,196,244.36	Interest on funded debt	2,144,058.62	....
....	2,814.98	Interest on unfunded debt	1,314.06	....
....	16,179.64	Amortization of discount on funded debt	13,987.57	....
....	54,038.71	Miscellaneous income charges	52,984.93	....
....	$ 2,583,704.12	Total deductions from gross income	$ 2,916,220.06	....
....	$ 790,129.99	Net railway operating income	$ 1,061,877.35	....
....	$ 836,259.17	Net income	$ 834,759.07	....
		DISPOSITION OF NET INCOME		
....	$ 680,000.00	Dividends	$ 680,000.00	....
....	$ 680,000.00	Total appropriations of income	$ 680,000.00	....
....	$ 156,259.17	Income balance transferred to profit and loss	$ 154,759.07	....

QUINCY, OMAHA & KANSAS CITY RAILROAD COMPANY

COMPARATIVE STATEMENT OF INCOME

Years Ended December 31

Percent of Ry. Oper. Revenue	1923	RAILWAY OPERATING REVENUES	1922	Percent of Ry. Oper. Revenue
69.74	$ 872,054.40	Freight	$ 849,587.77	68.39
21.82	272,789.00	Passenger	287,338.84	23.13
3.43	42,927.45	Mail	41,753.84	3.36
2.94	36,784.91	Express	40,165.61	3.23
1.47	18,319.43	All other transportation	20,288.69	1.63
.60	7,504.65	Incidental	3,156.51	.26
100.00	$ 1,250,379.84	Total railway operating revenues	$ 1,242,291.26	100.00
		RAILWAY OPERATING EXPENSES		
34.18	$ 427,375.44	Maintenance of way and structures	$ 372,713.14	30.00
19.12	239,178.52	Maintenance of equipment	214,712.78	17.28
.82	10,252.75	Traffic	10,007.40	.81
48.28	603,623.99	Transportation	673,559.83	54.22
2.27	28,446.04	General	26,935.37	2.17
.17 Cr.	2,130.13 Cr.	Transportation for investment—Credit	Cr. 2,810.62	Cr. .23
104.50	$ 1,306,746.61	Total railway operating expenses	$ 1,295,117.90	104.25
4.50 Dr.	$ 56,366.77 Dr.	Net revenue from railway operations	Dr.$ 52,826.64	Dr. 4.25
....	$ 52,337.56	Railway tax accruals	$ 43,537.59	....
....	325.34 Cr.	Uncollectible railway revenues	93.01	....
....	$ 108,378.99 Dr.	Railway operating income	Dr.$ 96,457.24	....
		NON-OPERATING INCOME		
....	$ 28,071.53	Hire of equipment	$ 8,320.75	....
....	149.19	Joint facility rent income	338.27	....
....	3,937.11	Miscellaneous rent income	8,754.98	....
....	20.00	Miscellaneous income	4.31	....
....	$ 32,177.83	Total non-operating income	$ 17,418.31	....
....	$ 76,201.16 Dr.	Gross income	Dr.$ 79,038.93	....
		DEDUCTIONS FROM GROSS INCOME		
....	$ 70,560.86	Hire of equipment	$ 49,923.10	....
....	29,579.73	Joint facility rents	30,597.28	....
....	$ 100,140.59	Total deductions from gross income	$ 80,520.38	....
....	$ 180,298.86 Dr.	Net railway operating income	Dr.$ 168,318.60	....
....	$ 176,341.75 Dr.	Income balance transferred to profit and loss	Dr.$ 159,559.31	....